

REMARKS/ARGUMENTS

Claims 1-10, 11-13 and 14-21 remain in this application.

Claims 11 and 14 have been cancelled.

Claims 1, 2 and 7 have been amended to correct a typographical error.

Claims 6-10 have been amended to include a customer selected personal identification number.

Claims 12, 13 and 15 have been amended to properly depend from pending claims.

Claim 16-21 have been withdrawn as the result of an earlier restriction requirement.

In view of the examiner's earlier restriction requirement, applicant retains the right to present claims 16-21 in a divisional application.

In response to the Office Action of April 19, 2006, Applicant requests re-examination and reconsideration of this application for patent pursuant to 35 U.S.C. 132.

**Rejection under 35 USC 103(a)**

Claims 1-15 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al. in view of Wallner. The examiner has indicated that Walker et al. shows all of the limitations of claims 1-15 except for specifying a printing means and the use of a

PIN. The examiner alleges that Walker et al. shows a method and apparatus for executing electronic transactions. Specifically, Figure 4 shows terminal 406 (transaction terminal), modem 416 (communications means), an input device 404, a video monitor 402, and a CPU 418 (processing means). There is also a trusted agent 18 (secure host). The disclosure, column 6, discusses an "escrow account" or a cryptographically enabled account (CEA) (debit account). Column 6, lines 46-48, states, "anyone can log onto a network and set up a transaction using a CEA." (accept funds via communication means). Column 9, lines 59-60, shows the establishment of a unique account number for a new CEA. The new accounts can and usually are associated with a contract (specific to a transaction). Funds may be withdrawn in whole or in part.

The examiner also alleges that Wallner teaches a virtual POS terminal with a printer 224 in order to better document transactions and a PIN pad port 226 in order to enable the use of a PIN, which increases security.

The examiner concludes that based on the teaching of Wallner, it would have been obvious to one of ordinary skill in the art, at the time the invention was made, to modify the Walker et al. terminals and system to incorporate a printer 224 at each terminal in order to better document transactions and a PIN pad port 226 at

each terminal in order to enable the use of a PIN, which increases security.

Claims 1-5 and amended claims 6-10, 12, 13 and 15 recite a system for establishing a debit account via a point of sale transaction comprising, *inter alia*, a transaction terminal which includes means for initiating said point of sale transaction to accept funds from a customer to be deposited into a debit account, means for accepting an input value representing funds to be deposited into said debit account, means for receiving a debit account number unique to said transaction from a secure host server, means to assign a PIN to said debit account number during said transaction.

In order to establish a *prima facie* case of obviousness, three basic criteria must be met (MPEP 2142). First, there must be some suggestion or motivation, either in the references themselves or in the knowledge available to one of ordinary skill in the art, to modify the references. Second, there must be a reasonable expectation of success. Finally, the prior art references (when combined) must teach or suggest all of the limitations of the claims.

None of the cited prior art references teach or suggest all of the limitations of the claims, specifically, means to enable funds to be withdrawn from a debit account utilizing only an

account number and a PIN. Further the prior art does not teach means to assign a PIN to said debit account number during the transaction of depositing funds into a debit account.

Walker et al. disclose a system wherein a buyer and seller send a signed contract and deposit money to a bank. The bank issues permission certificates (digital code) to the buyer, seller, verification authorities, and trusted agent. The trusted agent distributes verification authority permission certificates and establishes an escrow account. The verification authorities are responsible for certifying that both the buyer and seller adhere to the terms of the contract. After the verifying authorities are satisfied that the seller has fulfilled the terms of the contract they return the permission certificate to the trusted agent. The trusted agent then issues a withdrawal permission certificate to the seller. The seller can use this certificate to receive payment from the escrow account in the bank.

Wallner discloses a system wherein a POS terminal includes a printer, a PIN pad port, a PIN display, a voice circuit, a bar code reader and various indicators.

The examiner alleges it would have been obvious to modify the Walker et al. terminals and system to incorporate a printer and PIN pad port at each terminal to document the transaction and enable the use of a PIN.

The Walker et al. system requires a third party, the trusted agent, to oversee the transaction and verify that a contract has been fulfilled before authorizing release of funds. The release of the funds is performed by the issuance of another permission certificate (digital code). There is no use of a PIN in any transaction.

The claims of the instant invention allow either party to withdraw the funds having only a single account number (permission certificate) and a PIN. The Walker et al. system does not disclose this feature and therefore does not teach all of the limitations of the claims.

The Wallner system allows the use of a PIN at a POS terminal. However, there is no teaching or disclosure that a PIN is issued which corresponds to a debit account number or any other account number. Therefore the Wallner system does not teach or disclose all of the limitations of the claims.

The references taken alone or in combination fail to teach all of the claim limitations.

Applicant respectfully submits that the Examiner has failed to establish a *prima facie* case of obviousness and further contend that a person of ordinary skill in the art, having the references Walker et al. and Wallner before them, would not have the

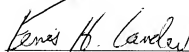
information nor the motivation necessary to combine these disclosures to arrive at Applicant's invention.

In point of fact, Applicant respectfully submits that the combination suggested by the Examiner, which would essentially remove the trusted agent and its function, would be destructive to the basic teachings of Walker et al, rendering it inoperative. Since it is improper to combine references when such combination requires the removal of a necessary element and its function, it is respectfully submitted that the references, as combined, can not purport to make out a *prima facie* showing of obviousness against the instantly claimed invention.

SUMMARY

In light of the foregoing remarks and amendment to the claims, it is respectfully submitted that the Examiner will now find the claims of the application allowable. Favorable reconsideration of the application is courteously requested.

Respectfully submitted,



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